



MONTCLAIR

CITY OF MONTCLAIR
PURCHASING MANUAL
REVISED: March 2014



CITY OF MONTCLAIR PURCHASING MANUAL

Summary of Limitations

Contracting Authority

City Manager or his or her designee is authorized to enter into and sign on behalf of City ([Section E](#)):

- A purchase or contract for goods or services if funds have been appropriated in the budget. The City Manager may also enter into change orders or amendments, which, cumulatively, do not exceed 20 percent of the original contract price.
- A purchase or contract for professional services for up to \$15,000, if funds have been appropriated in the budget. All other contracts shall be approved and executed by the City Council.

Purchase Orders:

Purchase order is required when the amount exceeds \$1,000 ([Section F](#)):

Bidding:

Purchases over \$2,500 ([Section F](#)) Informal bids must be obtained and documented. Sole source vendors must be documented in a sole source memorandum.

General Services Contracts

Method of obtaining pricing varies by dollar value. For all, City Manager, or his/her designee, is authorized to sign contracts, up to \$15,000, for goods or services if funds have been appropriated in the budget. If funds have not been appropriated in the budget, or if the price exceeds this amount, the agreement needs to be approved and executed by the City Council:

- Services less than or equal to \$10,000 ([Section H](#)) – Verbal or written quote required (preferably three) and documented on Bid Quotation Form.
- Services between \$10,000 and \$50,000 ([Section H](#)) – Written quote required.
- Services greater than \$50,000 ([Section H](#)) – Formal bidding process required.

Professional Services Contracts

Architectural & Engineering Service Contracts ([Section H](#))

- Less than \$15,000 – Selection from Consultant Register; prepare contract for City Manager to approve and sign.
- \$15,000 to \$75,000 – RFP process to minimum of three firms from Consultant Register. Department will negotiate fee with firms in order of best-qualified, followed by most responsive bidder; prepare contract and submit to City Council for approval and signature.
- Over \$75,000 – RFQ process to all consultants on Consultant Register. After review, a minimum of three and maximum of six of selected consultants are sent RFP and proposals obtained. Department will negotiate fee with firms in order of best-qualified, followed by most responsive bidder; prepare contract and submit to City Council for approval and signature.

Other Service Contracts

Method of obtaining pricing varies by dollar value. For all, City Manager, or his/her designee, is authorized to sign contracts for services, up to \$15,000, if funds have been appropriated in the budget. If funds have not been appropriated in the budget, or if the price exceeds this amount, the agreement needs to be approved and executed by the City Council:

- Services less than or equal to \$10,000 ([Section H](#)) – Verbal or written quote (preferably three) and documented on Bid Quotation Form; RFP or RFQ required.
- Services between \$10,000 and \$50,000 ([Section H](#)) – Written quotes (preferably three); RFP or RFQ required.
- Services greater than \$50,000 ([Section H](#)) – Formal bidding process required.



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A. PURPOSE

These Purchasing Procedures implement the City's purchasing ordinance, adopted by the City Council (Municipal Code Section 3.08.010). These procedures define in more detail the policies and procedures for the procurement and disposition of goods and services for the City. **These policies and procedures cover general procurements only. Procurements utilizing grant monies or for projects covered by the Public Contract Code must be performed in accordance with those provisions and requirements. Additionally, compliance with granting agencies processes utilizing their forms and procedures will also have to be performed to. Certain moneys (asset forfeiture moneys) require specific designation by specified positions within the City, and requirements related to expenditure of these funds must be considered.**

B. POLICY

The City Manager (designated Purchasing Officer) directs and supervises the acquisition of all goods and services under authority of the City of Montclair's Municipal Code Section 3.08.010. The City Manager has assigned the responsibility for administering purchasing policies and procedures to individual departments. This decentralized system of purchasing provides the departments with the ability to solicit goods and service from vendors directly.

It is the City's policy to establish efficient procedures for the purchase of goods and general services at the lowest possible cost commensurate with quality needed, to exercise positive financial control over purchases, to clearly define authority for the purchasing function, and to assure the quality of purchases.

C. DEFINITIONS

Best value - The best value to the City based on all factors including: cost; contractor's ability, capacity, or skill; ability to perform within the time required; character, integrity, reputation, judgment, experience, and efficiency; quality of contractor's performance on previous purchases or contracts, if applicable; and the ability of the contractor to provide future maintenance, repair, parts, and services, if necessary.

Bid - A written offer, more formal than a quote, to furnish supplies, equipment, vehicles, services in conformity with the specifications, delivery terms, and conditions required at a guaranteed maximum cost. The initiating Department will sometimes prepare a Notice Inviting Bids, which is formal notification through posting and advertisement, that the City is soliciting goods or services. This gives widespread exposure to the City's needs, expanding the vendor base, and fulfills the legal responsibility of giving fair access to supplying the City's needs. The notice must include a general description of



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the goods or general services to be purchased; state where bid forms and specifications may be secured; and state the final time and place for submitting bids. For purchases of over \$50,000, the notice must be published at least ten days before the bid opening date. The Department Director, or a designee, will publicly open and declare the content of bids received at the time and place specified in the notice. The bid results will be made available to all interested parties as soon as possible following the bid reading.

Bid Security - Financial security provided to guarantee that a bidder will enter into a contract with the City if a bid is awarded. It may be in the form of cash, cashier's check, certified check, or surety bond in an amount not to exceed ten percent of the aggregate amount of the bid.

Professional Services or Consultant Services - The services of an attorney, architect, landscape architect, engineer, land surveyor, accountant, financial consultant, planning or environmental consultant, investment advisor, bank or trustee officer, or other professional.

Public Works Project - (1) construction, reconstruction, erection, alteration, renovation, improvement, demolition, or repair work involving any publicly owned, leased, or operated facility; or (2) painting or repainting of any publicly owned, leased, or operated facility. Public project does not include maintenance work: (1) routine, recurring, and usual work for the preservation or protection of any publicly owned or operated facility for its intended purposes; (2) minor repainting; (3) resurfacing of streets and highways at less than one-inch thickness; or (4) landscape maintenance.

Purchase Order (PO) - A document generated by the Finance Department to formalize a purchase transaction with a vendor or to assure the proper set-aside of funds for a purchase. The purchase order should contain sufficient information to fill the order in an accurate and timely fashion. The vendor's acceptance of a purchase order constitutes a contract.

Quote - A verbal or written promise from the vendor/contractor guaranteeing that the cost of specific goods, supplies, or services will not be exceeded.

Request For Proposal (RFP) - All documents used for soliciting competitive proposals. The RFP defines, in detail, the terms, conditions, and specifications of goods or services required by the City. An RFP is primarily intended for large, complex, projects where cost and performance are equally important.

Request For Qualifications (RFQ) - A request seeking a written presentation of the professional qualifications and experience of a proposed consultant/contractor.



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Supplies - Goods in a manufactured state kept in the ordinary course of business for regular use or consumption (e.g., pencils, light bulbs, street signs).

D. TYPES OF PURCHASING TRANSACTIONS

There are many types of purchasing transactions in the City. These policies relate primarily to the first two below—the purchase of goods and services.

1. Goods.

Goods include tangible goods, supplies, equipment, and vehicles and materials, printing, and insurance. If goods and services are combined in one contract, the requirements for a general services contract apply.

2. Services.

a. General services.

b. Professional services contracts.

3. Public works contracts.

4. Franchise agreements.

5. Labor contracts with employees.

E. PURCHASING GUIDELINES

1. Vendor Relations - City employees will conduct all purchasing functions in a professional manner and shall promote equal opportunity and fairness in all vendor relations.

2. Ethics and Standards of Behavior - All purchasing functions shall be conducted impartially to assure fair competitive access by responsible vendors. In addition, public employees should conduct themselves in a manner that will foster public confidence in the procurement process.

3. Local Preference - Purchasing goods and services from local vendors is desired because it stimulates the local economy and recognizes that our local vendors are valued members of our community. If factors such as quality, previous performance, and availability are equal among vendors, a vendor whose business is located in Montclair shall be awarded a contract, other than for grant-funded contract unless authorized by the funding agency's contracting process if its quote or bid is within 5 percent of the low bid.



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4. Multiyear Contracts - A contract for supplies or services may be entered into for any period of time deemed to be in the best interest of the City, provided that the term of the contract and renewal provisions are included in the original solicitation process. Adequate funds must be available to fulfill the first fiscal year's obligation at the time of contract execution. Subsequent years' appropriations are subject to authorization by the City Council. (Cal. Const. Art. XVI, §18). Contract extensions beyond the original term of the agreement require amended agreement(s) by the City Council unless otherwise delegated by the City Council to the City Manager.

5. Purchasing Authority.

Contracting Authority

The City Manager, or his or her designee, is authorized to enter into and sign on behalf of the City the following contracts, provided funding has previously been approved by the City Council. At the discretion of the City Manager, any contract may be submitted to the City Council for its approval. All other contracts will be approved by the City Council and executed by the Mayor or Mayor Pro Tem.

- a. Goods and Services Contracts - A purchase or contract for goods or services. The City Manager may also enter into change orders or amendments, which, cumulatively, do not exceed 20 percent of the original contract price.
 - b. Professional Services Contracts - A purchase or contract for professional services for up to \$15,000. The City Manager may also enter into change orders or amendments, which, cumulatively, do not exceed 20 percent of the original contract price.
6. Business License – In most instances, any person or company providing services or delivering goods to the City must have a City business license. However, specific exemptions exist and these should be considered as part of the procurement. The department making the purchase or contracting for the service is responsible for checking that the vendor or contractor has a City business license.
 7. Insurance and Indemnity - Insurance is required in connection with a purchase or contract: which involves service performed on City property; is a professional services contract; or whenever there is an inherent risk of personal injury in the activity involved. When insurance and indemnity are required, the contractor should hold the City harmless, agree to defend, and maintain insurance for property damage, general liability, and Workers' Compensation (if there are any employees) in the form and amounts determined by the City Attorney. See [Subsection G](#) below for further information.



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8. Recordkeeping - Each department is responsible for maintaining its own purchasing records. At the conclusion of a contract, the original contract and any bids, specifications, and other pertinent data shall be retained by the department for the period specified in the City of Montclair's record retention policy. These are public records, available for public inspection upon request.

F. PURCHASING AND PAYMENT PROCEDURES

Purchase Orders

1. Purchase Orders (PO) - Represents a commitment related to unperformed contracts for goods or services between a city department and a vendor. When a PO is executed, Finance staff enters the information into the accounting system and creates an "encumbrance" against the line-item budget identified in the PO. The use of encumbrance accounting is a critical element of budgetary control in governmental accounting systems and serves three distinct purposes:
 - a. Provides a written contract between the City of Montclair and a vendor.
 - b. Decreases the available budget by an amount equal to the purchase order. This procedure lessens the chance of overspending a line-item budget.
 - c. At the end of the fiscal year, unexpended encumbrances are added to the next fiscal year's line item budget so that sufficient budget is available to meet the prior fiscal year's commitments. Encumbrances without any activity for a period of one year will be released at the end of the fiscal year.
2. When is a Purchase Order Needed? A purchase order requisition shall be prepared under the following circumstances, and when the amount exceeds \$1,000:
 - a. Professional service contracts
 - b. Equipment purchases
 - c. Monthly maintenance contracts that exceed \$1,000 annually
 - d. Public Works contracts
3. Requesting a Purchase Order - Preparing purchase orders is the responsibility of the department. Individuals, which have been designated by the department head, are authorized to input purchasing requisitions into the Springbrook accounting software. As part of the process of requesting a PO, procurement information must be attached to the Springbrook purchasing requisition. For



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purchases over \$2,500, informal bids must be obtained and documented using a [Bid Quotation Form](#) (a copy is present in Appendix A). An electronic copy, in the form of a PDF file, must be attached to the requisition. If this is a sole-source vendor then a sole-source memorandum in electronic format must be attached indicating the reason this vendor qualifies as such. The purchasing requisition will be reviewed by Finance Department supervisors to ensure that accounting data is present, budgetary authorization exists and the details are fully completed. If all those aspects are present approval is obtained and a PO will be generated in the Accounts Payable system of Springbrook.

4. Processing Payments Against a Purchase Order - When an invoice is received against a PO please indicate the PO number on the invoice. This action will ensure that the invoice payment will be deducted from the outstanding encumbrance associated with the PO.
5. When Not to Use a Purchase Order - Do not prepare a PO request if you have received the goods or services and/or have received an invoice. A PO should be issued when a contract is executed or goods are ordered.
6. Special Situations
 - a. If the request is for a project that was not included in the annual or CIP budget, attach an electronic copy of the City Council Resolution or minutes, in a PDF format, showing approval of the expenditures. Please be sure to indicate the account that should be encumbered.
 - b. If funding needs to be transferred from one or more accounts, indicate the account where expenditures were originally budgeted. Provided the transfer is occurring between expenditure accounts within the department, the Finance Department will prepare the budget revision to transfer the funds at the same time the purchase order is prepared. If the transfer is from another department or accounting fund, City Manager and/or Council approval shall be obtained.

Accounts Payable Processing

1. Routine Payment - When in receipt of an invoice from a vendor which is covered by a PO, indicate on the invoice the PO number and approve the invoice for payment. Approval for payment shall be authorized by those individuals designated by the appropriate department head. Approval for payment shall only be authorized when the responsible signing party knows that goods and/or services specified by the subject invoice have been received.



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If the department wishes to pay a vendor not covered by a PO it must prepare a [Payment Request Form](#) to accompany the invoice to the Finance Department for payment (a copy is present in Appendix A of this manual).

- a. Complete the Payment Request Form indicating the vendor name and address, date, description of goods/services, account number to be used and amount. Make sure vendor name and address are correct and indicate if address has changed so the Finance Department can update its vendor records.
 - b. Attach the original invoice with an approval signature to indicate that good/services were received.
 - c. Submit documents to the Finance Department, Accounts Payable Section.
2. Urgent/emergency payment (manual check) - The issuance of manually prepared checks is discouraged and should be done only when the specific circumstances necessitate expediting payment. When requesting urgent/emergency payment, the requesting department should deliver (either personally or by electronic means) the request to the Finance Manager or Finance Director for approval.
- a. Complete the Payment Request Form indicating the vendor, date, description of goods/services, account number to be used and amount. Additionally, note on the request "EMERGENCY CHECK."
 - b. Note the date and time the check is needed on the Payment Request Form.
 - c. Note if the requested check should be held for pickup and who will be assigned to pick up the check.

Open accounts

Open accounts are created by the Finance Department and are entered into with vendors expected to supply products or services to the City on an ongoing and/or regular basis where the total volume or total dollar amount cannot be reasonably estimated. This process represents approval of the vendor and not of a specific purchase; therefore, applicable purchase requisition and purchase order requirements will still apply.

An open account may be requested by a department by contacting the Finance Department, Accounts Payable Section. If no other purchasing authority exists with the vendor, the department will be required to justify utilizing this vendor either through the informal procurement process or sole source process. Once established, a PO is prepared that authorizes the purchase of goods and/or services



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for a set period. The PO is mailed to the vendor and the department is then notified that the open account is valid. When an employee purchases an item on an open account, he/she should sign the receipt (legibly) and show a City photo identification card.

Credit Card Purchase

The Finance Department issues City credit cards through the CalCard system (or other designated credit card system), at the request of the department head with approval by the City Manager. **City-issued credit cards shall be used for City business only** - no cash withdrawals are allowed. Departmental credit cards will be issued to the department director who shall be responsible for controlling and assigning issued credit cards to departmental personnel for use.

Whenever possible, City credit cards should **NOT** be used to pay for either general or professional services to the City (maintenance agreements, rentals, etc). The IRS requires the City to send 1099s to many service providers, and the 1099 process in the Accounts Payable (A/P) system works only for payments made by check directly to the service provider. Payments charged to a credit card bypass A/P. All general/professional services are to be invoiced and paid for by City checks issued to vendors, and not charged to City credit cards.

Documentation requirements are applicable for City credit card charges as well as charges made through personal credit cards for which reimbursement is requested. Retain all receipts for every payment or purchase made with City or personal credit cards; turn in the original receipt as soon as possible after a trip or purchase by completing a [Credit Card Expense Form](#) (copy present in Appendix A of this manual) which details the item purchased, the meeting attended, etc. Whenever meals are charged, indicate on the Credit Card Expense Form the names of those attending and the business purpose of the meal. If the card was used for a phone or Internet order, provide a copy of the order confirmation, registration form, flyer, catalog page, or other documentation describing the purchase and the price. Documentation should be held until after the credit card statement arrives.

When a credit card statement arrives, a copy will be sent to the department/cardholder who will match it to the [Credit Card Expense](#) Forms, receipts and other documents being held. An authorized signer in the responsible department should promptly review the credit card statement and supportive documentation and send the statement and documentation to the Finance Department within one week of the department receiving the statement. The department director, or designee, should review the forms for all credit cardholders in the department and indicate approval before transmission to the Finance Department.



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Petty Cash

Petty cash is available to City staff as an advance for City purchases without the need to use personal monies, as well as for reimbursement if personal monies have already been used. A petty cash fund is maintained in the Finance and other departments. Petty cash should be used to make minor purchases (normally under \$100) when no other purchasing option is available.

For reimbursement of personal monies, not credit card charges, already spent:

1. Complete the [Petty Cash Form](#) including the date, amount, account code, and description.
2. Attach the receipt to the form.
3. Write the name of the person being reimbursed on the "Received By" line.
4. If someone other than that person collects the funds, they must initial the form.
5. Have an authorized signer for that department sign.

For a petty cash advance:

1. Follow steps a, c, and d above. The description should be "Advance for..." with a clear description of how the advance will be used.
2. After all purchases are complete, return the store receipt and any change to the petty cash custodian. For a large cash advance (several hundred dollars), please plan ahead and request a check from the Accounts Payable Section.

G. INSURANCE REQUIREMENTS

Insurance is required in connection with a purchase or contract: (1) which involves service performed on City property; (2) is a professional services contract; or (3) whenever there is a risk of personal injury in the activity involved. When insurance and indemnity are required, the contractor should indemnify, hold the City harmless, agree to defend, and maintain insurance for commercial general liability, automobile liability and Workers' Compensation (if there are any employees) in the form and amounts determined by the City Attorney. The duty to defend may be modified based upon the recommendation of an Executive Manager and with the approval of the City Manager or City Attorney. Such a modification would require, at a minimum, a certificate of additional insured with a rider guaranteeing defense of the City in the event of vendor liability. Further, the rider should require coverage of all City-related defense costs, inclusive of costs incurred to the point liability is determined. The



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City Attorney has prepared standard insurance requirements, which are included in the City professional service agreement templates. It is the responsibility of the department staff preparing the contract to obtain insurance certificates from the contractor evidencing the required insurance coverage and to obtain successor insurance certificates for coverage throughout the term of the contract and any renewal period.

1. General Liability Insurance - Each contractor engaged in service on City property is generally required to maintain commercial general liability insurance in an amount not less than \$1,000,000 per occurrence and \$2,000,000 general aggregate for public works contracts and \$1,000,000 for professional service contracts per occurrence for bodily injury, personal injury and property damage. The City of Montclair shall be named as an additional insured. The required amounts specified above may be modified based upon (type of business, available and/or existing insurance coverage limits or potential adverse impact on vendor of additional insurance) the recommendation of an Executive Manager. Any such modification must be approved by the City Manager or City Attorney. Certain high-risk activities may require higher limits.
2. Automobile Liability Insurance - Each contractor engaged in service on City property is required to maintain automobile liability insurance in an amount not less than \$1,000,000 covering bodily injury and property damage. The City of Montclair shall be named as an additional insured. Certain high-risk activities may require higher limits.
3. Workers Compensation Insurance - Each contractor engaged in service on behalf of the City is required to maintain workers compensation insurance and employer's liability insurance for his/her employees in accordance with the laws of the State of California. If contractor has no employees, he/she shall sign or initial an Exemption from Workers Compensation Insurance statement. An exemption form is attached to the City's standard Professional Services Agreement form.
4. Professional Liability Insurance - Each professional retained under a professional services agreement shall maintain professional liability insurance in an amount not less than \$1,000,000 unless this requirement is waived or reduced by the City Attorney.
5. Policy Endorsements - Each general liability and automobile liability insurance policy shall be with insurers possessing an A.M. Best Company rating of no less than A- and shall be endorsed with the following specific language:



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- a. The City of Montclair, its elected or appointed officers, officials, employees, agents and volunteers are to be covered as additional insureds with respect to liability arising out of work performed by or on behalf of the Consultant, including materials, parts or equipment furnished in connection with such work or operations. Further, all policies shall contain language to the effect that the insurer, insured and all subcontractors waive the right of subrogation against the City and City's elected officials, officers, employees, and agents.
- b. This policy shall be considered primary insurance as respects the City, its elected or appointed officers, officials, employees, agents and volunteers. Any insurance maintained by the City, including any self-insured retention the City may have shall be considered excess insurance only and shall not contribute with it.
- c. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.
- d. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its elected or appointed officers, officials, employees, agents or volunteers.
- e. The insurance provided by this policy shall not be suspended, voided, canceled, or reduced in coverage or in limits except after 30 days' written notice has been received by the City.

H. CONTRACTS

1. General Services Contracts. The following provisions apply to entering into general services agreements for goods or services. Splitting of the purchase of goods or services into smaller orders for purposes of evading the competitive bidding provisions is not permitted.
 - a. Services less than or equal to \$2,500. Previously used departmental vendors can be utilized as long as products/services have been provided in a satisfactory manner.
 - b. Services over \$2,500 but less than or equal to \$10,000.
 - 1) Obtain verbal or written quotes for services (preferably three). Document these on a [Bid Quotation Form](#) (copy present in Appendix A of this manual) and retain this in departmental files.



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- 2) Select quotation representing the best value and considering any local preference.
 - 3) Review vendor's contract form, prepare Professional Services Agreement or prepare purchase order/requisition.
 - 4) If using vendor's form, attach standard insurance requirements if work is to be performed on City property or involves unusual risk.
 - 5) Obtain appropriate insurance certificates from vendor, if required.
 - 6) If using Professional Services Agreement and work is to be performed on City property or involves unusual risk have city attorney initial contract to signify approval of insurance.
 - 7) Have vendor sign agreement and obtain business license.
 - 8) The City Manager, or his/her designee, is authorized to sign contracts for goods or services if funds have been appropriated in the budget.
 - 9) If funds have not been appropriated in the budget, City Council approval must be obtained.
- c. Services between \$10,000 and \$50,000
- 1) Obtain written quotes for services (preferably three).
 - 2) Select quotation representing the best value and considering any local preference.
 - 3) Review vendor's contract form, prepare Professional Services Agreement and prepare purchase order.
 - 4) If using vendor's form, attach standard insurance requirements (a sample copy of this form is included in the forms section of this manual) if work is to be performed on City property or involves unusual risk.
 - 5) Obtain appropriate insurance certificates from vendor, if required.
 - 6) If using Professional Services Agreement and if work is to be performed on City property or involves unusual risk have city attorney initial contract to signify approval of insurance.
 - 7) Have vendor sign agreement and obtain business license.



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- 8) The City Manager, or his/her designee, is authorized to sign contracts for goods or services up to \$15,000 if funds have been appropriated in the budget.
- 9) If funds have not been appropriated in the budget or the price is equal to or greater than \$15,000, City Council approval must be obtained and the Mayor or Mayor Pro Tem will execute the contract for the City.

d. Services greater than \$50,000

- 1) Prepare notice inviting bids including a general description of the articles or general services to be purchased; where bid forms and specifications may be secured; and final time and place for submitting bids.
- 2) Publish notice 10 days before the bid opening date at least once in a newspaper of general circulation.
- 3) Consider requiring bidder's security or performance bond, or both.
- 4) Open bids and prepare a tabulation of all bids received. Maintain tabulation of bids open for public inspection for at least 30 calendar days after the bid opening.
- 5) Department director awards contract to bid representing the best value.
- 6) Review vendor's contract form, prepare agreement and prepare purchase order.
- 7) If using vendor's form, attach standard insurance if work is to be performed on City property or involves unusual risk.
- 8) Obtain appropriate insurance certificates from vendor, if required.
- 9) If work is to be performed on City property or involves unusual risk, have City Attorney initial contract to signify approval of insurance.
- 10) Have vendor sign agreement and obtain business license.
- 11) City Council approval must be obtained of contract and the Mayor or Mayor Pro Tem will execute the contract.



e. Exceptions

The department may dispense with quotation or bidding procedures for purchasing goods or general services in any of the following circumstances:

- 1) Emergency. Defined by Section 8558 (c), Chapter 7 of Division 1 of Title 2 of the Government Code, as specified under Section 6.3.1 of the City of Montclair's Emergency Operations Plan.

Expenditure made pursuant to a state of emergency shall be processed upon recommendation of the user department. City Manager, or his/her designee, shall award expenditure contracts made pursuant to a state of emergency. If the contract would normally have been awarded after formal advertising or by competitive negotiation, the City Manager, or his/her designee shall inform the City Council, at the next scheduled meeting, of the circumstances requiring the use of sole source purchasing and the important conditions and terms of the contract awarded.

If the need for an emergency purchase arises on a non business day, it shall be the user department's responsibility to enter into contracts pursuant to this section. On the following business day the City Manager, or his/her designee, shall be informed of the circumstances requiring the use of sole source purchasing and the conditions and terms of the contract awarded. The City Manager, or his/her designee, shall then make the required notifications to City Council as set forth above.

- 2) Sole or Limited Source - Occasionally, required goods are unique, of a proprietary nature, or of specific design or construction. Examples include hardware, software or communications equipment. In these cases, quotation or bidding procedures could be meaningless. The department shall keep a written record of the basis for this determination and it shall be approved by the City Manager, or his/her designee, and the City Council shall be informed as set forth above.
- 3) Cooperative Purchasing - If such purchases are based on an agreement or cooperative purchasing program entered into by any of the following, regardless of whether the City is a named party to the agreement or an actual participant in such a program: (a) any public agency situated within the state if the underlying purchase was made using quotation or bid procedure substantially similar to the City's; or (b) the California Multiple Award Schedules (CMAS).



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- 4) Other - Where goods or general services are purchased through negotiations. This exception applies when the purchase is for: (1) a specialized technology product; (2) an addition to, or repair or maintenance of, existing equipment which can be more efficiently added to, repaired or maintained by a particular company or manufacturer; or (3) equipment which must be compatible with existing equipment, by reason of the training of the personnel or an inventory of existing replacement parts kept by the City. The affected department head shall state in writing the basis for a determination that this section applies and it shall be approved by the City Manager, or his/her designee.

2. Professional Services Agreements.

Architectural and Engineering Consulting Services

As specified in Section 2.08.060 I. 3. of the City of Montclair Municipal Code, the selection process for architectural and engineering consulting services will vary depending upon the anticipated complexity of the project and fee. Projects shall be classified as minor, intermediate, or major. The City shall develop and maintain an Architectural and Engineering Consultant Register listing consultants, their areas of expertise, and locations.

- a. Minor Projects. Minor projects are defined as projects where the design fee will not be expected to exceed Fifteen Thousand Dollars (\$15,000). A one-step consultant selection process shall be used. Based on the services required, City staff will select a consultant from the Architectural and Engineering Consultant Register with whom to negotiate a scope of services and fee. Upon successfully negotiating a fee for the required services, a professional services contract approved by the City Attorney shall be prepared. For a minor project, the authority to sign on behalf of the City is delegated to the City Manager.
- b. Intermediate Projects. Intermediate projects are defined as projects where the design fee is expected to be between Fifteen Thousand Dollars (\$15,000) and Seventy-five Thousand Dollars (\$75,000). Unless otherwise authorized by the City Council, a two-step consultant selection process shall be used. Requests for proposals (RFPs) shall be sent to a minimum of three firms selected from the Architectural and Engineering Consultant Register professing expertise for the services required. After reviewing the submitted proposals, the City department requiring the services shall determine the best-qualified consultant and negotiate the required fee. If a fee cannot be successfully negotiated, the department will suspend negotiations with that firm and begin negotiations with the next best qualified firm, and so on, until a



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- fee can be successfully negotiated. After negotiating the fee, the department shall prepare a professional services contract in a form acceptable to the City Attorney, and submit it to the City Council with a recommendation for approval and signature.
- c. Major Projects. Major projects are defined as projects where the design fee exceeds Seventy-five Thousand (75,000) Dollars. Unless otherwise authorized by the City Council, a three-step consultant selection process shall be used. Requests for qualifications and letters of interest (RFQs/LOIs) shall be sent to all consultants listed in the Architectural and Engineering Consultant Register professing expertise for the services required. After reviewing responses to the RFQs/LOIs, a minimum of three, and no more than six consultants, shall be selected to receive RFPs. After reviewing the submitted proposals, the City department requiring the services shall determine the best-qualified consultant and negotiate the required fee. If a fee cannot be successfully negotiated, the department will suspend negotiations with that firm and begin negotiations with the next best qualified firm, and so on, until a fee can be successfully negotiated. After negotiating the fee, the department shall prepare a professional services contract in a form acceptable to the City Attorney and submit the contract to the City Council with a recommendation for approval and signature.

Other Professional Services

The following provisions apply to contracts with professionals for services, other than architectural and engineering consulting services above, defined in the definition section of this manual.

- a. Services less than or equal to \$2,500. Previously used departmental vendors can be utilized as long as products/services have been provided in a satisfactory manner.
- b. Professional Services over \$2,500 but less than or equal to \$10,000:
- 1) Obtain verbal or written quotes for services (preferably three) and document on a [Bid Quotation Form](#) or prepare requests for proposals (RFP) or requests for qualifications (RFQ) for large or complex projects.
 - 2) Select quotation representing the best value and consideration for local preference.
 - 3) Prepare short form Agreement.



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- 4) Have vendor sign agreement and obtain business license.
 - 5) Submit agreement and insurance certificates to City Attorney for approval.
 - 6) The City Manager, or his/her designee, is authorized to sign professional services agreements for services up to \$15,000 if funds have been appropriated in the budget.
 - 7) If funds have not been appropriated in the budget, City Council approval is required and the Mayor or Mayor Pro Tem will execute the agreement.
- c. Professional Services between \$10,000 and \$50,000
- 1) Obtain written quotes for services (preferably three) or prepare requests for proposals (RFP) or requests for qualifications (RFQ) for large or complex projects.
 - 2) Select quotation representing the best value and consideration for any local preference.
 - 3) Prepare Agreement.
 - 4) Have vendor sign agreement and obtain business license.
 - 5) Submit Agreement and insurance certificate to City Attorney for approval.
 - 6) The City Manager, or his/her designee, is authorized to sign professional services agreements for services up to \$15,000 if funds have been appropriated in the budget.
 - 7) If funds have not been appropriated in the budget, City Council approval must be obtained and the Mayor or Mayor Pro Tem will execute the agreement.
- d. Professional Services over \$50,000
- 1) Obtain written quotes for services (preferably three), or prepare requests for proposals (RFP) or requests for qualifications (RFQ) for large or complex projects.
 - 2) Select quotation representing the best value and consideration for any local preference.



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- 3) Prepare Agreement.
- 4) Have vendor sign agreement and obtain business license.
- 5) Submit agreement to City Council for approval.
- 6) Submit agreement and insurance certificate to City Attorney for approval after City Council authorizes entering into contract.
- 7) Mayor or Mayor Pro Tem will sign approved contract.

I. RECEIVING OF GOODS/EQUIPMENT

1. Inspections and Testing

The ordering Department shall inspect and/or test all goods upon receipt (or services upon completion) to assure conformance with the specifications set forth in the order. If a product is determined to be unusable, or not what was ordered, the Department shall reject it and return it to the vendor as the vendor directs, and at the vendor's expense if possible, for credit or replacement.

2. Acceptance

When goods have been received or a project has been completed to the satisfaction and specifications of the ordering Department, the packing slip and/or other completion documentation shall be signed-off by the employee receiving or inspecting the goods or project. Information to be noted on the documents must include, at a minimum, the employee's signature and a legible rendering of their name and the date of receipt/completion. The employee signing must note on the receiving documents any deviation from the exact ordering specifications. This acceptance must be sent to the Finance Department with the vendors invoice.

Sample Forms

CITY OF MONTCLAIR Credit Card Expense Form

CITY OF MONTCLAIR
 REDEVELOPMENT SUCCESSOR
 AGENCY
 HOUSING CORPORATION
 HOUSING AUTHORITY

DATE OF CHARGE(S)
 FROM _____
 TO _____

Description	Fund/Account No.(s)	Amount
Charge: Purpose:		
TOTAL		\$

STATE OF CALIFORNIA)
 COUNTY OF SAN BERNARDINO) ss.

I, the undersigned, hereby certify that the above claim is correct and just, and that to the best of my knowledge it is a proper charge against the CITY OF MONTCLAIR.

Date: _____

Preparer's Signature

Approved By

Sample Forms

CITY OF MONTCLAIR - BID QUOTATION FORM

DEPARTMENT: _____ DATE: _____

PURCHASE REQUISITION NO. _____

ITEM(S) DESCRIPTION _____

REASON FOR PURCHASE: _____

QUOTES OBTAINED BY: _____

VENDORS CONTACTED

		Quote (1):	
(1) NAME:	_____	Item #1	_____
REPRESENTATIVE:	_____	Item #2	_____
ADDRESS:	_____	Total	_____
	_____	Tax	_____
TELEPHONE:	_____	Shipping	_____
COMMENTS:	_____	Labor	_____
	_____	Total	_____

		Quote (2):	
(2) NAME:	_____	Item #1	_____
REPRESENTATIVE:	_____	Item #2	_____
ADDRESS:	_____	Total	_____
	_____	Tax	_____
TELEPHONE:	_____	Shipping	_____
COMMENTS:	_____	Labor	_____
	_____	Total	_____

		Quote (3):	
(3) NAME:	_____	Item #1	_____
REPRESENTATIVE:	_____	Item #2	_____
ADDRESS:	_____	Total	_____
	_____	Tax	_____
TELEPHONE:	_____	Shipping	_____
COMMENTS:	_____	Labor	_____
	_____	Total	_____

** Note: Quotations are to include tax and delivery charges.

RECOMMENDED VENDOR AND JUSTIFICATION:

Sample Forms

RECEIPT FOR EXPENDITURES - PETTY CASH REIMBURSEMENT

NO.: _____

PAY TO: _____

DATE: _____

DESCRIPTION OF ITEM(S)	ACCOUNT NUMBER	AMOUNT
RECEIVED PAYMENT	ENTERED	APPROVED